STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

PEOPLES NATURAL GAS COMPANY, DIVISION OF UTILICORP UNITED INC.

DOCKET NO. WRU-01-11-225

ORDER GRANTING WAIVER

(Issued March 21, 2001)

On March 7, 2001, Peoples Natural Gas Company, Division of UtiliCorp United Inc. (Peoples), filed an application requesting that the Utilities Board (Board) grant a waiver of the requirements of 199 IAC 19.3(7) and (8) that require natural gas utilities to schedule monthly meter readings. The waiver would allow Peoples to continue its bimonthly meter reading project for the year 2001 under the same conditions as granted in the Board's order in Docket No. WRU-99-13-225, issued May 6, 1999.

Peoples states that the Board granted similar waivers in Docket Nos. WRU-99-13-225 and WRU-00-16-225. Peoples states further that it wishes to continue its bimonthly meter reading project and the waiver is necessary for it to continue.

The Board approved the initial waiver of 199 IAC 19.3(7) and (8) in an order issued May 6, 1996. The Board has approved extensions for the subsequent years. To approve a waiver for the year 2001, the Board must find by clear and convincing evidence that the waiver meets the four criteria in 199 IAC 1.3. The Board has reviewed the waiver request and its past orders granting similar waivers and finds that the waiver requested by Peoples meets the four criteria.

Specifically, the Board finds that the application would pose an undue hardship on Peoples, since it would prevent Peoples from controlling some of the costs of its natural gas operations. The Board finds that the rule requiring monthly readings is not specifically mandated by statute and the waiver will not affect the substantial legal rights of any person. Finally, the Board finds that substantial equal protection of public health, safety, and welfare will be afforded by a means other than prescribed by the rule. Bimonthly readings will not affect the quality of natural gas service provided by Peoples.

IT IS THEREFORE ORDERED:

The waiver request of the monthly meter reading requirements of 199 IAC 19.3(7) and (8) filed by Peoples Natural Gas Company, Division of UtiliCorp United Inc., on March 7, 2001, is granted.

UTILITIES BOARD

/s/ Allan T. Thoms /s/ Susan J. Frye ATTEST: /s/ Sharon Mayer Acting Executive Secretary, Asst. to

Dated at Des Moines, Iowa, this 21st day of March, 2001.